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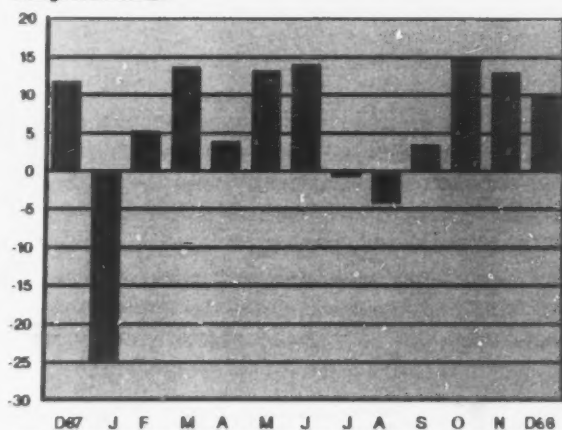
primary components of Services growth were Business Services (5,100 jobs), Legal Services (1,900 jobs) and Health Services (1,800 jobs). Membership Organizations and All Other Services produced 1,100 jobs apiece. Retail Trade contributed 2,200 additional new jobs.

In the public sector, growth occurred in both Federal Government (5,300 jobs) and State and Local Government (300 jobs).

The Suburbs

The number of suburban jobs increased by 0.7 percent for a gain of 10,000 jobs between November and December. The private sector accounted for virtually all the growth with a seasonally induced gain in Trade (7,400 jobs) and growth in Services (2,800 jobs). The Virginia suburbs were responsible for 55 percent of the

Monthly Job Growth
The Suburbs
December 1987 - December 1988
change in thousands



Trade growth while the Maryland suburbs accounted for 57 percent of the Services growth.

In the public sector, a gain in Federal Government (400 jobs) was partially offset by a reduction in State and Local Government (300 jobs). The Virginia suburbs were responsible for the majority of the movement in the public sector.

Over the year, (December 1987 to December 1988), suburban jobs grew at a rate of 4.2 percent for a gain of 61,000 jobs. The Virginia suburbs grew at a rate of 5.8 percent accounting for 70 percent of suburban growth while the Maryland suburbs increased at a rate of 2.5 percent.

The private sector accounted for 86 percent of suburban jobs with the primary growth contributors, Services (25,000 jobs) and Trade (9,100 jobs), accounting for 56 percent of all new jobs. Eighty-two percent of the Services growth and 79 percent of the Trade growth occurred in the Virginia suburbs. The Virginia suburbs also accounted for 84 percent of the growth in Construction (7,500 jobs), Transportation, Communications, and Public Utilities (6,700 jobs) and Finance, Insurance and Real Estate (4,100 jobs).

In the public sector, a reduction in Federal Government (1,500 jobs) was offset by growth in State and Local Government (9,900 jobs) resulting in growth of 2.8 percent. The reduction in Federal Government occurred in the Virginia suburbs, while 72 percent of State and Local Government growth took place in the Maryland suburbs.

The Area

The Washington Metropolitan Area gained 14,000 jobs between November and December for a 0.7 percent rate of growth. The private sector was responsible for 84 percent of this growth with primarily seasonal gains in Trade (8,200 jobs) and Services (3,900 jobs). The public sector grew at a rate of 0.4 percent with growth in Federal Government (2,200 jobs).

Over the year (December 1987 to December 1988,) the Area grew at a rate of 3.8 percent, gaining 79,800 jobs. The private sector grew at a rate of 4.2 percent, creating 65,800 jobs and providing 82 percent of area growth. The leading job producers, Services (36,500 jobs) and Trade (11,300 jobs), were responsible for 60 percent of area growth and 73 percent of all new private sector jobs. Significant private sector growth also occurred in Transportation, Communications and Public Utilities (7,200 jobs), Construc-

Continued on page 8

Wage and Salary Employment by Industry and Place of Work ^{a/}
(in thousands)

INDUSTRY	District of Columbia			Metropolitan Area		
	Dec. b/ 1988	Nov. c/ 1988	Dec. c/ 1987	Dec. b/ 1988	Nov. c/ 1988	Dec. c/ 1987
TOTAL	683.0	679.0	664.2	2,204.4	2,190.4	2,124.6
Total Private Sector	411.7	409.7	398.5	1,628.2	1,616.4	1,562.4
Total Government	271.3	269.3	265.7	576.2	574.0	562.2
Manufacturing	16.5	16.5	16.4	87.7	87.7	87.4
Total Durables	N/A	N/A	N/A	41.6	41.3	41.6
Stone, Clay, Glass, and Concrete Products	N/A	N/A	N/A	3.4	3.4	3.2
Electrical & Electronic Machinery, Equip., & Supp.	N/A	N/A	N/A	21.4	21.1	21.6
All Other Durables	N/A	N/A	N/A	16.8	16.8	16.9
Total Non-Durables	N/A	N/A	N/A	46.0	46.4	45.7
Food & Kindred Products	N/A	N/A	N/A	5.5	5.5	5.8
Printing & Publishing	13.1	13.1	12.6	33.9	34.1	32.9
All Other Non-Durables	N/A	N/A	N/A	6.6	6.8	7.1
All Other Manufacturing	3.4	3.4	3.9	N/A	N/A	N/A
Mining	0.1	0.1	0.1	1.3	1.3	1.3
Construction	15.1	15.0	16.1	138.6	139.9	132.1
Transportation, Communications						
Public Utilities	24.9	24.8	24.4	111.2	110.0	104.0
Railroad	N/A	N/A	N/A	5.0	5.0	4.9
Transportation ex. Railroad	N/A	N/A	N/A	53.9	53.0	47.1
All Transportation	9.9	9.9	9.4	N/A	N/A	N/A
Communication & Public Utilities	14.9	14.8	15.0	52.3	52.0	52.0
Trade	68.0	67.2	65.8	446.5	438.3	435.2
Wholesale	8.7	8.7	8.8	75.6	75.0	76.0
Retail	59.3	58.5	57.1	370.9	363.3	359.2
General Merchandise	4.7	4.7	4.8	42.8	40.0	43.2
Food	N/A	N/A	N/A	47.2	46.8	45.6
Automotive	N/A	N/A	N/A	38.6	38.7	38.3
Apparel & Accessories	N/A	N/A	N/A	30.4	28.9	30.9
Eating & Drinking Places	28.7	28.4	27.2	120.4	119.8	112.8
All Other Retail	25.9	25.4	25.1	91.6	89.1	88.4
Finance, Insurance & Real Estate	37.5	37.7	37.5	130.6	130.7	126.5
Banking	7.0	7.0	7.2	23.4	23.4	22.5
All Other	30.5	30.7	30.3	107.2	107.3	104.0
Services	249.6	248.5	238.1	712.4	708.5	675.9
Hotels & Other Lodging Places	16.8	16.6	16.5	36.4	36.2	35.3
Personal Services	4.2	4.2	4.2	23.9	23.7	23.9
Business Services	56.9	56.0	51.8	N/A	N/A	N/A
Computer & Data Process	4.3	4.3	3.6	N/A	N/A	N/A
Health Services	35.6	35.6	33.8	N/A	N/A	N/A

Continued on page 8

Continued from page 7

Wage and Salary Employment by Industry and Place of Work ^{a/} (in thousands)

INDUSTRY	District of Columbia			Metropolitan Area		
	Dec. b/ 1988	Nov. c/ 1988	Dec. c/ 1987	Dec. b/ 1988	Nov. c/ 1988	Dec. c/ 1987
Legal Services	27.5	27.4	25.6	N/A	N/A	N/A
Membership Organizations	32.1	32.1	31.0	N/A	N/A	N/A
All Other Services	76.4	76.7	75.3	652.1	648.6	616.8
Government	271.3	269.3	265.7	576.2	574.0	562.2
Federal Government	214.4	212.6	209.1	356.1	353.9	352.3
State & Local Government	N/A	N/A	N/A	220.1	220.1	209.9
State & Local Gov. Except						
Public Transportation	52.0	51.7	51.8	N/A	N/A	N/A
Public Transportation	4.9	4.9	4.8	N/A	N/A	N/A

a. Detail may not add to totals due to independent rounding. b. Preliminary. c. Revised.

Data includes all full- and part-time employees who worked during or received pay for any part of the pay period which includes the 12th of the month. Proprietors, self-employed, unpaid family workers, and private household workers are excluded.

Source: Prepared by the Department of Employment Services, Labor Market Information and Research Staff in cooperation with the Virginia Employment Commission, the Maryland Department of Economic and Employment Development, and the U.S. Bureau of Labor Statistics.

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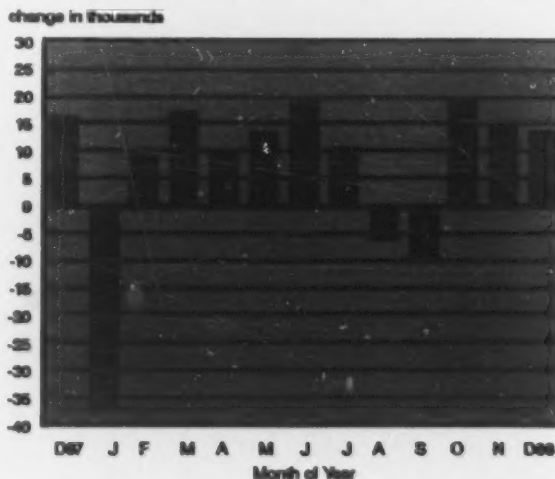
tion (6,500 jobs) and Finance, Insurance and Real Estate (4,100 jobs).

The public sector grew at a rate of 2.5 percent with growth in both State and Local Government (10,200 jobs) and Federal Government (3,800 jobs).

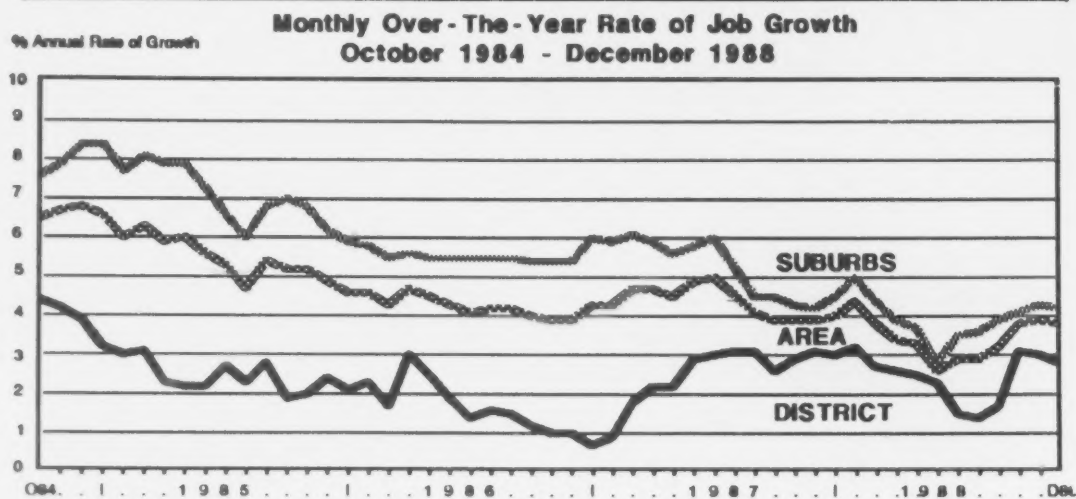
1988 Holiday Hiring in Retail Trade

Retailers in the Metropolitan Area provided 19,500 new jobs over the holiday season (September 1988 to December 1988), as Retail Trade rose 5.5 percent. In the District, Retail Trade grew by 4,000 jobs for growth of 7.2 percent. Over the same period last year the area created 19,600 retail jobs for a 5.8 percent increase while in the District retail jobs rose by 2,500 jobs for a 4.6 percent increase.

Monthly Job Growth The Area December 1987 - December 1988



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Area Job Growth Rates

Over the past 50 months, (October 1984 to December 1988), the Washington Area has created new jobs at a rate of 4.6 percent. Measured by monthly over-the-year changes, however, the rate of growth has been steadily declining after peaking at 6.8 percent in December 1984. Between December 1987 and December 1988, the Area's job growth slowed to 3.8 percent.

The Suburban portion of the Area is still the generator of most new jobs, having grown over the past year at a rate of 4.2 percent, but at a much slower pace than its 50-month long term average of 5.7 percent. Over the past year, the District proper has added new jobs at a rate of 2.8 percent, but unlike the suburbs, above its 50-month average of 2.4 percent.

In absolute terms, job creation in the Area has declined from 120,200 new jobs produced between December 1983 and December 1984, to 79,800 between December 1987 and December

1988. Over the past year, 79,800 new jobs were added to the Suburban economy and 18,800 in the District. **The Washington Area is now creating new jobs at a faster pace than the U.S. economy (3.8 percent vs. 3.5 percent for the U.S. economy).**

Profile of Job Growth Rates October 1984 to December 1988

The Area

Average 50 months	4.6%
High, December 1984	6.8%
Low, August 1988	2.9%
Current month	3.8%

The Suburbs

Average 50 months	5.7%
High, January 1985	8.4%
Low, June 1988	3.2%
Current month	4.2%

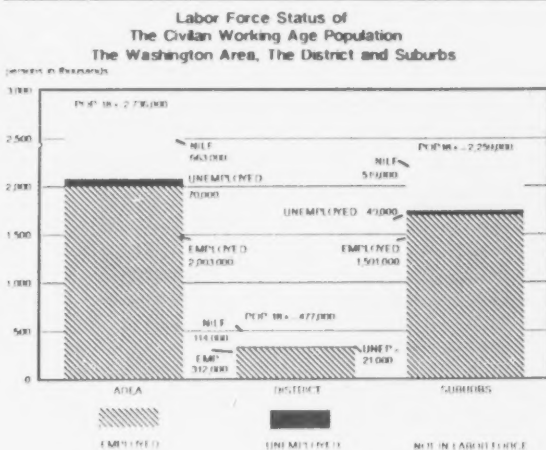
The District

Average 50 months	2.4%
High, October 1984	4.4%
Low, January 1987	0.7%
Current month	2.8%

LABOR FORCE PROFILE:

Persons Not Working or Looking for Work—1987

The Washington Area labor market has been characterized as having a very tight labor supply. Thus, over the past year, the *Area Labor Summary* has featured a number of special articles statistically describing the labor supply. This article continues the series by profiling local residents not in the labor force. It is a statistical portrait of people not working nor actively seeking work. The data used are from the Current Population Survey (CPS) and are annual averages for 1987. (CPS data for 1988 will not be available until Mid 1989.)

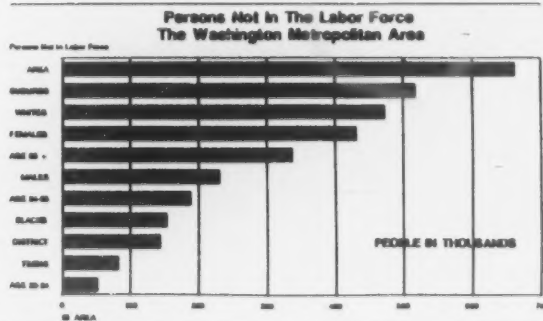


People Not In The Labor Force

In 1987, there were an estimated 2,736,000 people in the traditional working-age population (ages 16 and above) in the Washington Area. Of this population, 2,003,000 (73.2 percent) were employed, 70,000 (2.6 percent) were unemployed and actively seeking work, and 663,000 (24.6 percent) were neither working nor seeking work (not in the labor force). Seventy-eight percent of the people not in the labor force lived in the suburbs, and 22 percent in the District. People not working nor actively looking for work represented about 23 percent of all working age

suburbanites and 30 percent of the District residents.

By contrast, 34.1 percent of all Americans in 1987 were not in the labor force, nearly 10 percentage points higher than for Area residents and some 4 percentage points greater than District residents. Compared to nonlabor force participation rates in eighteen other selected major metropolitan areas, only one (Dallas) had a rate slightly lower than the Washington Area's (24.0 percent in Dallas vs 24.2 percent in Washington). The average working age population outside the labor force for the 18 large metropolitan areas was 33.0 percent. The averages ranged from 24.0 percent in Dallas and Washington to approximately 42 percent in New York and Pittsburgh. **Thus, relatively speaking, the Washington Area has one of the nation's smallest pools of people not in the labor force.**



Demographics of People Outside the Labor Force

In the Washington Area, people not in the labor force tended to be mostly suburbanites (78.3 percent), whites (71.5 percent), females (65.2 percent) and married with a spouse present (52.9 percent). **Older workers age 55 and above comprised more than half of the people**

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outside the local labor force. About a quarter of the nonworkers were in the prime-working age of 24-55 (28.5 percent), singles (26.2 percent), or heads of households (23.7 percent), and Blacks (23.2 percent). About a fifth were District residents and Area residents who were divorced or separated.

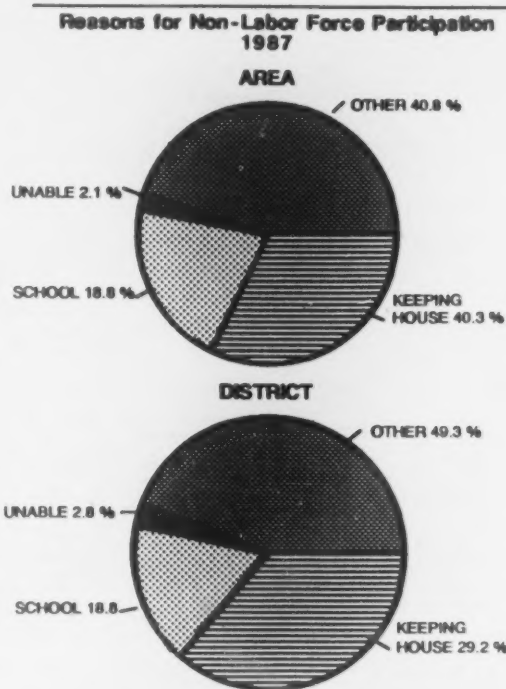
Importantly, teenagers (12.5 percent) and young adults (7.8 percent) together comprised about a fifth of the local nonlabor force pool. **Thus, the pool of potential young workers available to enter the labor force in the near future is relatively small.** Nationally, the pool of younger workers is even smaller. Across the nation, 10.5 percent of the people outside the labor force were teenagers and 6.4 percent young adults, a group totalling 16.9 percent.

The suburban profile of persons outside the labor force closely mirrors that of the Area, being principally married white females and older workers. District residents not in the labor force tended to be black. There were slightly more older workers and more male workers in the District than in the suburbs.

The largest suburban/city contrasts, however, were related to a person's marital status. In the suburbs, nearly 60 percent of the people not in the labor force were married with a spouse present. In the District, less than half as many people (30.6 percent) outside the labor force were married and living with their spouse. More District residents than suburbanites were single (36.1 percent vs 23.5 percent) or divorced/separated (33.3 percent vs 17.1 percent). Also slightly more City residents not in the job market were heads of households (28.5 percent) than were their suburban counterparts (22.4 percent). In all three jurisdictions, young adults 22-24 years old comprised the smallest group not working or looking for work (7.8 percent in the Area, 7.5 percent in the suburbs, and 9.0 percent in the District).

Reasons For NonLabor Force Participation

CPS interviewers classify reasons for non-participation under 4 broad categories: (1)



Keeping House, (2) Going to School, (3) Unable to Work, and (4) Other.

In the Washington Area, the reasons were evenly split between "other" (40.8 percent) and "keeping house" (40.3 percent), with the bulk of the remaining (16.7 percent) citing "going to school" as the reason for not participating. Approximately 2 percent were "unable to work."

Nationally, there were 5.5 percent more people classified as "keeping house," 4.7 percent fewer "going to school," 2.7 percent more "unable to work" and 3.3 percent fewer classified as "other."

Reasons given by suburban residents closely followed the Area pattern. However, there were several different patterns in the District. District residents tended to cite "keeping house" about 14 percent less frequently than suburbanites, while giving "other" about 11 percent more frequently.

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Women Not In The Labor Force

Area women constitute 65 percent of the not in the labor force group, some 432,000 people. "Keeping house" was the most frequent (60.6 percent) reason for not looking for work. This was followed by "other" (26.4 percent). By contrast, women in the District were roughly split between "keeping house" (44.4 percent) and "other" (40.0 percent). This can be explained, in part, because District women tended to be somewhat older than women across the Area (55.6 percent of the women in the District were 55 years old or above vs 47.9 percent in the Area). "Other" as categorized by CPS Interviewers denotes retirement, living off social security, etc. Many older group workers fall within this category.

Among men the most frequent reason was "other" (67.5 percent), followed by "going to school" (26.4 percent). (Note: For females, "going to school" comprised only 11.8 percent of the reasons given.) As among women, retirement among men may have been a major contributor to the frequency of the "other" response. Among Area men classified in the "other" group, 80.8 percent were 55 plus years of age. In the District, 77.1 percent were in this age range.

Persons 25-54 Not In The Labor Force

As noted previously, about half (51.0 percent) of the people in the Washington Area not in the labor force were age 55 and above. However, prime age workers 24 to 55 constituted nearly 3 of every 10 (28.5 percent) Area residents not in the job market. This group should be a major target for any future expansion of the labor supply.

Females also dominate this prime-age group, accounting for 159,000 of the 189,000 people in the cohort or nearly 84 percent of the group. The most frequent reason given for not participating in the job market was "keeping house" (83.7) followed much less frequently by "other" (10.7 percent). Most of the people in this group tend to be homemakers.

Discouragement Estimated

Nationally, the Current Population Survey provides an estimate of those persons not in the

labor force who desire work, but think they cannot find employment. Their reasons can be personal, e.g., feeling employers will think them too young or too old, or feeling they lack the necessary education or training to secure a job. Other reasons may be job market related, e.g., looking for a job but unable to find work, or thinking there were no jobs available. Persons in this labor market classification are commonly referred to as "discouraged workers." The annual CPS data for the District and the Washington Area does not provide estimates of discouragement.

Occasionally, however, LMIR staff provide local estimates based on national discouragement ratios by race and sex. For example, nationally, 1.9 percent of all whites not in the labor force expressed a desire for a job, but thought they would be unsuccessful in finding employment. Among Black men the rate was 4.8 percent, and among black women 3.4 percent. Applying these relationships to the local 1987 demographics produces the following estimates for the local labor market:

Estimates of Discouragement—1987

	Whites	Black Men	Black Women	Total
Area	6,100	2,800	3,400	12,300
District	200	1,900	2,300	4,400
Suburbs	5,900	900	1,100	7,900

Given the fact that unemployment in the Washington Area for both whites and blacks is lower than across the country, the above estimates are probably on the high side. Nevertheless, even in the Washington Area there is a fairly substantial pool of discouraged workers, which is composed predominantly of whites living in the suburbs and blacks living in the District.

Observations

Past studies of the labor force have shown that the Washington Area has one of the highest employment-to-population ratios in the country. This means that a large part of the Washington Area working age population already has a job. Another recent study shows that labor shortages

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tend to be severest among higher skilled and administrative workers. However, market barriers also are causing shortages among entrance level and less skilled workers. This study shows that the potential supply of workers in the Washington Area outside the labor force is relatively small. Furthermore, this potential supply is comprised principally of married women living with their spouses and people 55 years old or older—two groups traditionally having relatively low labor force participation rates. About a fifth of the population outside the labor force is young people 16-24 years old. This represents a traditional source of new workers. Among this group, the 20-24 year old cohort appears particularly small, thus signaling labor supply problems in the near future. Blacks constitute approximately one fourth of the pool outside of the labor force. They represent a potential source of new workers, however, approximately 45 percent of this group is over 55 years of age.

Thus, local employers will have to gear their recruitment policies towards attracting women, older workers, and minorities. A policy of deferring early retirements may have to be considered. To eliminate market barriers especially for entrance level jobs, public and private partnerships will be necessary to assure convenient, inexpensive transportation, and/or low and moderately priced housing near regional employment centers. Because a significant proportion of the potential labor pool are women—day care, family health benefits, maternity leave, flex-time and equal pay will be important attractions. Employers may need to reexamine their current hiring requirements and provide expanded on-the-job training and education programs. Employers also will have to expand job advertisement through a variety of sources, including the automated regional job bank.

Labor Force Status
The Washington Area, The District & the Suburbs
1987
(in thousands)

	Population 16+	In Labor Force	Not-In Labor Force	Not-in-L.F. Distribution	
				%	Rate
Area	2736	2073	663	100.0	24.2
District	477	333	144	21.7	30.2
Suburbs	2259	1740	519	78.3	23.0

Source: Current Population Survey. Estimates for the suburbs derived by LMIR.

**Percent of Working Age Population
Not in the Labor Force
U.S. and Selected Metropolitan Areas
1987**

Dallas	24.0
Washington, D.C.	24.2
Denver	26.3
Atlanta	28.5
Houston	28.5
San Francisco	30.5
Milwaukee	31.4
Boston	32.1
Norfolk	32.2
Los Angeles	33.6
Chicago	33.6
United States	34.1
Baltimore	35.2
St. Louis	35.6
Detroit	35.8
San Diego	36.3
Cleveland	36.5
New Orleans	38.5
Pittsburgh	42.4
New York	42.6
AVERAGE	33.0

SOURCE: Bureau of Labor Statistics, *Geographic Profile of Employment & Unemployment, 1987.*

**D.C. Job Service Produces Very High 1987
Performance Rankings**

(The Best Employment Service in the
Philadelphia Region)

Recently the Employment and Training Administration (ETA) of the U.S. Department of Labor announced the relative 1987 program performances by state employment service agencies across the country. **The District's program was ranked by ETA as number one in the nation for job placements per every 100 employers.** This was the second year in a row that the District agency placed first in this national category.

The Employment and Training Administration used three major indicators to assess relative Job Service performance among the states: (1) Individuals Placed Per Every 100 Employers, (2) Individuals Placed Per Every 1000 Employees and (3) Cost Per Individual Placed. **The District's program was judged the best performer in Region III in all three measures.** States included in Region III are Pennsylvania, Delaware, Maryland, Virginia, West Virginia and the District of Columbia.

**Reasons Persons Were Not in the Labor Force
The Washington Area,
The District & The Suburbs
1987**

(in thousands)

	<u>Total</u>	<u>Keeping House</u>	<u>Going To School</u>	<u>Unable To Work</u>	<u>Other</u>
Area	663	267	111	14	270
District	144	42	27	4	71
Suburbs	519	225	84	10	199
Percent					
Area	100.0	40.3	16.7	2.1	40.7
District	100.0	29.2	18.8	2.8	49.3
Suburbs	100.0	43.4	16.2	1.9	38.3
U.S.	100.0	45.8	12.0	4.8	37.4

SOURCE: Current Population Survey.

Unemployment Rates

Metropolitan Areas

In November 1988, the Bureau of Labor Statistics ranked 251 Metropolitan Statistical Areas (MSAs) by preliminary unemployment rates. Historically, the Washington Area's jobless rate declines slightly between October and November, as businesses, particularly retail trade gear up for the holiday shopping spree. The November rate at 2.9 percent was the same as for July, August, and September. In October, the rate was 3.0 percent. The November rate was the eighteenth lowest of all 251 areas reporting. A year ago, the rate also was 2.9 percent.

Comparing the Washington Area with other large metropolitan areas nationwide, the Washington Area's rate at 2.9 percent was the lowest of all the metropolitan areas. The Boston Area rate at 3.0 percent was the second lowest. A year ago, the Boston rate was 2.0 percent. The District of Columbia and Boston have had the lowest jobless rates of the major metropolitan areas over a period of three years. The Richmond-Petersburg Area, 110 miles to the south of Washington, recorded a November rate of 3.6 percent up from 3.4 percent in October. A year ago, the Richmond-Petersburg rate was 3.7 percent. The Baltimore Area, only 35 miles north of Washington, posted a 4.7 percent jobless rate down from 5.2 percent in October. A year ago, Baltimore's rate was 4.2 percent.

Of the 251 metropolitan areas for which November data are available, 61 had over-the-year decreases in their unemployment rate of 1 percentage point or more, and 12 had increases of that magnitude. Sixty-one areas had rates below 4 percent, while 22 had rates of 8 percent or higher.

Unemployment Rates in Selected Major Metropolitan Statistical Areas*

MSA	November	
	1988*	1987
1. Washington, D.C.	2.9	2.9
2. Boston, MA	3.0	2.0
3. Milwaukee, WI	3.1	4.7
4. San Francisco, CA	3.2	3.4
5. Philadelphia, PA	3.5	3.9
6. Richmond-Petersburg, VA	3.6	3.7
7. Newark, NJ	3.6	3.4
8. Minneapolis-St. Paul, MN	3.9	4.3
9. San Diego, CA	4.1	4.4
10. Oakland, CA	4.3	4.6
11. Nashville, TN	4.3	4.3
12. Portland, OR	4.4	4.6
13. Los Angeles, CA	4.4	4.5
14. New York, NY	4.5	5.9
15. Atlanta, GA	4.5	4.3
16. Seattle, WA	4.6	5.8
17. Cincinnati, OH	4.6	5.2
18. Baltimore, MD	4.7	4.3
19. Salt Lake City, UT	4.8	5.3
20. Pittsburgh, PA	4.8	5.9
21. Columbus, OH	4.8	4.7
22. Cleveland, OH	4.8	5.3
23. Memphis, TN	5.0	5.3
24. Oklahoma City, OK	5.0	5.3
25. Indianapolis, IN	5.0	5.0
26. Buffalo, NY	5.1	5.0
27. Kansas City, MO	5.1	5.0
28. Sacramento, CA	5.2	5.4
29. Dallas, TX	5.3	6.6
30. Louisville, KY	5.5	6.0
31. Miami, FL	5.6	5.5
32. Phoenix, AR	5.6	4.9
33. Birmingham, AL	5.6	6.1
34. Houston, TX	5.9	7.9
35. Chicago, IL	5.9	5.7
36. Denver, CO	5.9	6.8
37. Jackson, MS	6.1	5.8
38. Montgomery, AL	6.2	6.2
39. St. Louis, MO	6.3	6.3
40. Detroit, MI	6.7	7.4
41. New Orleans, LA	8.6	8.5

*Preliminary unemployment rates.

States

When the District of Columbia (with a November preliminary unemployment rate of 4.5 percent) was ranked with the 50 States, the District had the thirtieth lowest jobless rate in the country. This was four notches below the October standing. Maryland's rate at 4.4 percent was up from the 4.6 percent posted in October. In July, August, and September, the rate was 4.2 percent. Virginia's rate rose from 4.0 percent to 4.1 percent. Maryland and Virginia ranked thirty-second and thirty-eighth, respectively, in the standings of the 51 jurisdictions. A year ago, the rate in both Maryland and Virginia was 4.0 percent.

Seven states and the District of Columbia reported over-the-year declines of 1 percentage point or more in their unemployment rate. The largest were in New Mexico (1.8 percentage points) and Idaho and Wisconsin (both 1.7 points). Four states had over-the-year increases exceeding 0.5 percentage point—Arizona, Delaware, Massachusetts, and North Dakota.

Thirteen states had November unemployment rates below 4 percent. The states with the lowest rates were New Hampshire (2.5 percent), Rhode Island (2.7 percent), and Maine and Vermont (both 2.9 percent). Four states had rates of 8 percent or more—Louisiana (9.6 percent), Alaska and West Virginia (both 9.0 percent), and Mississippi (8.6 percent).

Cities

In comparison with the 25 selected central cities, the District of Columbia (with a November preliminary rate of 4.5 percent) had the fifth lowest jobless rate. This was the same as the September and October standings. In November, the average unemployment rate of all 26 cities was 6.4 percent down from 6.5 percent in October. A year ago, the average rate was 6.7 percent. There were eleven cities including the District of Columbia with rates at 6 percent or below. Baltimore's rate at 7.0 percent was down from 7.9 percent posted in October. In November 1987, the Baltimore rate was 6.7 percent.

Gary posted an unemployment rate of 10.3 percent in November. The last time Gary's jobless rate was in the double-digit column was April 1988 when it was 10.8 percent. Detroit fell out of the double-digit column in November, recording a rate of 9.7 percent. The next highest rates were registered in New Orleans and St. Louis, 9.4 percent and 9.1 percent, respectively. The lowest rates were in Boston, San Francisco, Pittsburgh, Milwaukee, District of Columbia, New York, Philadelphia, Los Angeles, Columbus, and Salt Lake City. Each of these ten cities had jobless rates between 3 percent and 5 percent.

Of the 26 selected central cities, eighteen reported over-the-year declines, with the largest being posted by Milwaukee 2.3 percent. Only six cities had over-the-year increases with, surprisingly, the largest recorded in Boston, 1.3 percent. Pittsburgh's and Miami's rates were unchanged over the year.

Unemployment Rates in Selected Cities*

	November	
	1988*	1987
1. Boston, MA	3.7	2.4
2. San Francisco, CA	3.9	4.1
3. Pittsburgh, PA	4.1	5.7
4. Milwaukee, WI	4.1	6.4
5. District of Columbia	4.5	5.8
6. Philadelphia, PA	4.9	5.5
7. New York, NY	4.9	6.6
8. Los Angeles, CA	5.0	5.0
9. Columbus, OH	5.0	5.1
10. Salt Lake City, UT	5.0	5.7
11. Cincinnati, OH	5.7	6.2
12. Dallas, TX	6.2	7.1
13. Houston, TX	6.3	8.5
14. Atlanta, GA	6.5	6.6
15. Miami, FL	6.9	6.9
16. Baltimore, MD	7.0	6.7
17. Buffalo, NY	7.2	7.1
18. Dayton, OH	7.2	7.4
19. Newark, NJ	7.4	7.1
20. Birmingham, AL	7.5	8.4
21. Chicago, IL	7.8	7.4
22. Cleveland, OH	7.7	8.1
23. St. Louis, MO	9.1	8.4
24. New Orleans, LA	9.4	8.9
25. Detroit, MI	9.7	10.8
26. Gary, IN	10.3	12.1

*Preliminary unemployment rates.

Unemployment Rates by State, November 1988



Unemployment Insurance Activities December 1988

There were 3,400 initial claims taken in December 1988 for unemployment compensation benefits from former workers in the District of Columbia. This was 11 percent above the previous month. On the other hand, the monthly movement in weeks of joblessness claimed and weeks actually compensated declined 3 and 6 percent, respectively. Benefit outlay followed in the same direction, dropping 4 percent over the month. The average weekly benefit amount increased slightly as expected. The monthly swings are generally counter to the movements established over the last three years in December. The total benefit outlay for the month was \$5.7 million.

Compared to December of last year, all measures for total programs declined except the average weekly benefit amount. This was also expected based on the general increases in the wage bases that determine benefit amounts. The total outlay in December 1987 was \$5.9 million.

The fourth quarter of 1988 showed increases from 1987 in three of four selected activities. The decrease was in initial claims. The quarterly data indicate that 1986 was the peak year in general activity. Initial claims have declined steadily, and the average weekly benefit amount, as expected, however, has increased. Weeks compensated and total benefit outlay have been somewhat erratic.

The annual data for 1986 through 1988 indicate a general downtrend in workload (claims and weeks). The outlay in 1987 was slightly (+1.1 percent) above 1986, principally due to the increase in the average weekly benefit amount from \$162 to \$175 over the year. The number of idle weeks compensated in 1987 dropped 6 percent from the previous year. The increase in the average weekly benefit amount more than offset the workload decline and accounted for the outlay increase. Workload in 1988 was also down from 1987 and so was the total outlay—for the first time in the year-to-year comparisons in the years under consideration. Weeks compensated declined more than 7 percent, which had an overall offsetting effect on the slight increase in the average weekly benefit amount.

**Selected Unemployment Insurance Benefit Statistics
(Regular Programs)
District of Columbia
December 1988**

	Dec. 1988	Nov. 1988	Dec. 1987	%Change From	
				Nov. 1988	Dec. 1987
State UI Program a/					
Initial Claims Taken	3,225	2,877	3,356	+12.1	-3.9
Weeks of Unemployment Claimed	29,784	30,692	32,617	-3.0	-8.7
Weeks of Unemployment Compensated	28,297	29,894	31,058	-5.3	-8.9
Total Benefits Paid	\$5,271,615	\$5,480,492	\$5,463,712	-3.8	-3.5
Average Weekly Benefit Payment	\$186.30	\$183.33	\$175.92	+1.6	+5.9
Number of First Payments	1,549	1,431	1,685	+8.2	-8.1
Number of Final Payments	792	854	865	-7.3	-8.4
Total Beneficiaries	8,251	7,839	8,455	+5.3	-2.4
Federal Program b/					
Initial Claims Taken	89	101	111	-11.9	-19.8
Weeks of Unemployment Claimed	2,048	2,150	2,287	-4.7	-10.5
Weeks of Unemployment Compensated	1,991	2,214	2,173	-10.1	-8.4
Total Benefits Paid	\$413,018	\$460,367	\$412,154	-10.3	+0.2
Average Weekly Benefit Payment	\$207.44	\$207.93	\$189.67	-0.2	+9.4
Number of First Payments	100	106	109	-5.7	-8.3
Number of Final Payments	55	60	75	-8.3	-26.7
Total Beneficiaries	570	555	574	+2.7	-0.7
Ex-Servicepersons Program c/					
Initial Claims Taken	22	32	37	-31.3	+40.5
Weeks of Unemployment Claimed	263	308	366	-14.6	-28.1
Weeks of Unemployment Compensated	215	249	249	-13.7	-13.7
Total Benefits Paid	\$41,605	\$49,542	\$49,611	-16.0	-16.1
Average Weekly Benefit Payment	\$193.51	\$198.96	\$199.24	-2.7	-2.9
Number of First Payments	20	24	25	-16.7	-20.0
Number of Final Payments	10	18	16	-44.4	-37.5
Total Beneficiaries	68	79	78	-13.9	-12.8
Total—All Programs					
Initial Claims Taken	3,336	3,101	3,504	+10.8	-4.8
Weeks of Unemployment Claimed	32,095	33,150	35,270	-3.2	-9.0
Weeks of Unemployment Compensated	30,503	32,357	33,480	-5.7	-8.9
Total Benefits Paid	\$5,726,238	\$5,990,401	\$5,925,477	-4.4	-3.4
Average Weekly Benefit Payment	\$187.73	\$185.13	\$176.99	+1.4	+6.1
Number of First Payments	1,669	1,561	1,819	+6.9	-8.2
Number of Final Payments	857	932	956	-8.0	-10.4
Total Beneficiaries	8,889	8,473	9,107	+4.9	-2.4

a. Includes joint claims with Unemployment Compensation for Federal Employees (UCFE), and/or Unemployment Compensation for Ex-Servicepersons (UCX).

b. Includes joint claims with Unemployment Compensation for Ex-Servicepersons (UCX).

c. No joint claims.

Hours and Earnings in Manufacturing

Total Manufacturing Average Weekly Earnings in the Metropolitan Area for the month of December 1988 rose \$13.33. Average Weekly Hours increased .6 hour, as Average Hourly Earnings increased 16 cents.

In the Durable Goods Sector, Stone, Clay and Glass Products and Electric Machinery Equipment and Supplies had less overtime. Weekly Earnings dropped \$25.06 and \$2.04, respectively, while Hourly Earnings decreased 24 cents and 85 cents, respectively. Other Durable Goods posted a sizable increase in Weekly Earnings of \$44.11. More overtime being worked accounted for the rise, as increases were regis-

tered in both Weekly Hours (.9 hour) and Hourly Earnings (80 cents).

In the Non-Durable Goods Sector, an increase in the proportion of lower paid employees caused the drop of 27 cents in Hourly Earnings. Printing and Publishing had an increase in overtime being worked, thus, resulting in the 19 cents increase in Hourly Earnings and the .1 hour increase in Weekly Hours. Other Non-Durable Goods' slight across-the-board increase was due to more business. Weekly Earnings rose \$4.01, Weekly Hours rose .1 hour, and Hourly Earnings increased 7 cents.

Earnings of Production Workers in Manufacturing Washington Metropolitan Area December 1988

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Dec. 1988	Nov. 1988	Dec. 1987	Dec. 1988	Nov. 1988	Dec. 1987	Dec. 1988	Nov. 1988	Dec. 1987
Total Manufacturing	469.09	455.76	438.00	40.3	39.7	40.0	11.64	11.48	10.95
Durable Goods	475.00	453.18	432.12	43.3	42.0	42.7	10.97	10.79	10.12
Stone, Clay & Glass Products	529.63	554.69	482.66	47.5	48.7	44.2	11.15	11.39	10.92
Electric Machinery, Equipment & Supplies	459.68	461.72	446.61	41.6	38.8	41.7	11.05	11.90	10.71
Other Durable Goods	476.11	432.00	408.41	43.8	42.9	42.9	10.87	10.07	9.52
Non-Durable Goods	463.68	457.07	441.91	38.1	37.9	37.9	12.17	12.06	11.66
Food & Kindred Products	433.79	425.26	444.88	39.4	37.7	39.3	11.01	11.28	11.32
Printing & Publishing	489.24	481.06	474.35	36.0	35.9	36.8	13.59	13.40	12.89
Other Non-durable Goods	396.48	392.47	340.05	44.8	44.7	40.1	8.85	8.78	8.48
Total Production Workers			Dec. '88 40,400		Nov. '88 42,100		Dec. '87 43,300		

Note: Data reflects Revision to 1987 Benchmark.

W A S H I N G T O N , D . C .



DEPARTMENT OF EMPLOYMENT SERVICES



GOVERNMENT OF THE DISTRICT OF COLUMBIA
MARION BARRY JR., MAYOR

GOVERNMENT OF THE DISTRICT OF COLUMBIA
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AREA LABOR SUMMARY



THE D.C. DEPARTMENT OF EMPLOYMENT SERVICES



DATA FOR JANUARY 1989

APRIL 1989

January's Jobless Rate Edges Up To 5.3%

Seasonal Movements in Labor Force

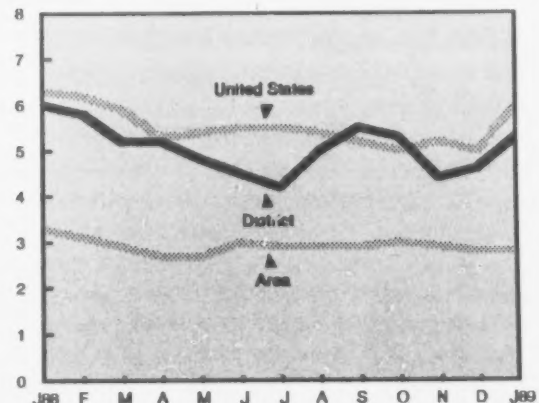
Labor Force

The District

In January, the District labor force moved downward seasonally as the fall employment expansion initiated by the holiday season came to a close. The unemployment rate increased from 4.6 percent in December to 5.3 percent in January. This was the lowest January rate since the 4.6 percent recorded in 1972. January 1984 recorded the highest unemployment level, 11.2 percent.

During January, the size of the District's labor force declined by 3,200 as seasonal workers returned to nonwork activities. As a result, there was an over-the-month employment decline of 5,200 District residents. The 312,700 January employment level was the highest for the month since the 324,800 recorded in 1973. Historically, the jobless rate increases four-tenths of a percentage point between December and January.

Unemployment Rates
January 1988 - January 1989
% of labor force



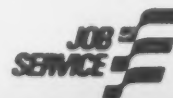
The seven-tenths percentage point increase is seasonal, but slightly higher than the average.

Compared to January 1988, the labor market status of District residents is much improved. There are 3,200 more residents with jobs and 2,200 fewer among the jobless. Consequently,

Continued on page 3



Government of the
District of Columbia
Marion Barry, Jr., Mayor



Department of
Employment Services
F. Alexis H. Roberson
Director

The Department of Employment Services

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AREA LABOR SUMMARY

THE D.C. DEPARTMENT OF EMPLOYMENT SERVICES

DATA FOR JANUARY 1989

APRIL 1989

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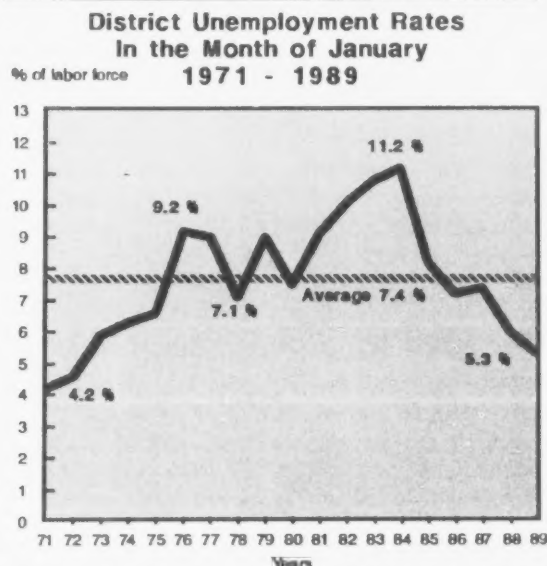
The *Area Labor Summary* is published monthly by the D.C. Department of Employment Services, 500 C Street, N.W., Washington, D.C. 20001. The Labor Market Information and Research Staff (Richard Groner, Chief) prepares the *Summary*. The following staff members have contributed to the publication and development of data herein: Charles Roeslin, Rufus Daniels, Eileen Dent, Nancy Anderson-Grant, Elsie Taylor, and Gwendolyn Thompson; and administrative support was provided by Robin McDonald.

Inquiries and requests for labor market information may be obtained by writing to the above address, or by calling: (202) 639-1641 or 639-1642.

Continued from page 1

the unemployment rate declined from 6.0 percent in January 1988 to 5.3 in January 1989.

The unadjusted unemployment rate for all American workers in January 1989 was 6.0 percent. At 5.3 percent, the District's jobless rate is below the nation's.



The Area & Suburbs

Likewise, the January suburban labor force moved downward seasonally. Unlike the District, there was a decline in both employment and unemployment. The number of suburban residents employed declined by 12,400, and the unemployment rolls contracted by 3,000. This produced an over-the-month reduction of 15,500 in the size of the suburban labor force. Thus, between December and January, the suburban unemployment rate slipped from 2.5 percent to 2.3 percent.

Over the year (January 1988 to January 1989), 79,700 suburbanites entered the labor force, a growth of 4.4 percent. However, suburban resi-

dents with jobs increased by 86,300 or 4.9 percent. The small pool of suburban unemployed workers was reduced by 12.9 percent or 6,500 workers. As a result, the suburban unemployment rate declined from 2.8 percent in January 1988 to 2.3 percent in January 1989. The end result was a further tightening of the suburban work force.

The seasonal shifts in the District and the suburbs resulted in the Area's jobless rate holding steady at 2.8 percent in January. Over the year, the Area labor force grew by 80,800 workers. Employment grew even more, up by 89,500. This growth exhausted the new labor supply and produced an even tighter labor market for the beginning of 1989.

Unemployment Rates in the Washington, D.C., MSA by City and County

	Jan. a/ 1989	Dec. b/ 1988	Jan. b/ 1987
District of Columbia	5.3	4.6	6.0
Calvert County	4.0	3.1	5.6
Frederick County	4.0	2.4	5.4
Prince Georges County	3.0	3.1	3.6
Stafford County	2.6	2.0	3.1
Charles County	2.5	2.2	3.4
Alexandria City	2.3	2.1	2.6
Montgomery County	2.2	2.1	2.6
Falls Church City	2.1	1.9	2.0
Prince William County	2.1	1.8	2.5
Manassas City	2.0	1.8	2.2
Arlington County	2.0	1.8	2.1
Fairfax City	1.8	1.8	1.8
Fairfax County	1.7	1.7	1.9
Loudoun County	1.6	1.5	1.7
Manassas Park City	1.5	1.5	2.1

a/ Preliminary.

b/ Revised.

SOURCE: The Department of Employment Services, the Maryland Department of Economic and Employment Development, and the Virginia Employment Commission.

**Employment Status for the Civilian Population
District of Columbia, Suburban Ring, and the Washington, D.C. MSA
January 1989^{a/}**

	Jan. b/ 1989	Dec. c/ 1988	Jan. d/ 1988	Dec. d/ 1987	<u>Net Change From</u>	
					Dec. 1988	Jan. 1988
Washington, D.C.						
Civilian Labor Force	330,400	333,600	329,300	334,500	-3,200	1,100
Total Employed	312,700	318,100	309,500	315,300	-5,400	3,200
Total Unemployed	17,600	15,500	19,800	19,200	2,100	-2,200
Unemployment Rate ^{e/}	5.3	4.6	6.0	5.7	0.7	-0.7
Suburban Ring						
Civilian Labor Force	1,878,200	1,893,700	1,798,500	1,818,000	-15,500	79,700
Total Employed	1,834,400	1,846,800	1,748,100	1,775,300	-12,400	86,300
Total Unemployed	43,900	46,900	50,400	42,700	-3,000	-6,500
Unemployment Rate ^{e/}	2.3	2.5	2.8	2.3	-0.2	-0.5
Washington, D.C. MSA						
Civilian Labor Force	2,208,600	2,227,300	2,127,800	2,152,500	-18,700	80,800
Total Employed	2,147,100	2,164,900	2,057,600	2,090,600	-17,800	89,500
Total Unemployed	61,500	62,400	70,200	61,900	-900	-8,700
Unemployment Rate ^{e/}	2.8	2.8	3.3	2.9	—	-0.5

a Detail may not add to the totals due to independent rounding. b. Preliminary. c. Revised.
d. Data reflects Benchmark Revisions. e. Seasonally unadjusted.

Estimated Labor Force and Employment for the Washington Metropolitan Area includes the District of Columbia; the Virginia cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park; the Virginia Counties of Fairfax, Arlington, Prince William, Loudoun, and Stafford; and the Maryland Counties of Montgomery, Prince Georges, Charles, Frederick, and Calvert.

Source: Prepared by the Department of Employment Services, Labor Market Information and Research Staff in cooperation with the Virginia Employment Commission, the Maryland Department of Economic and Employment Development, and the U.S. Bureau of Labor Statistics.

**Labor Force Distribution
Washington Metropolitan Area
January 1988 & January 1989**

	Labor Force	Employed	Unemployed
		JANUARY 1989	
Area	100.0	100.0	100.0
District	15.0	14.6	28.6
Suburbs	85.0	85.4	71.4
		JANUARY 1988	
Area	100.0	100.0	100.0
District	15.5	15.0	28.2
Suburbs	84.5	85.0	71.8

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Characteristics of the Insured Unemployed

The number of individuals receiving unemployment insurance (UI) benefits totaled 8,477 in January 1989—down 415 claimants from December. In January, 54 percent of all UI recipients were males. Occupationally, professional, technical and managerial workers accounted for 25 percent of the total claimants. This was followed by clerical and sales with 24 percent. Service workers ranked third accounting for 21 percent of the claimants.

The median duration of the current spell of insured unemployment was 9.3 weeks for all claimants in January down from 9.4 weeks reported in December. Over the month, the duration for males decreased from 9.1 weeks to 8.8 weeks, while that for females increased from 9.7 weeks to 9.9 weeks. In January 1988, the average duration for males was 7.3 weeks and 9.3 weeks for females.

New Methodology For Estimating Unemployment Implemented

Beginning with the preliminary January 1989 estimates appearing in this edition of the *Area Labor Summary*, a new statistical methodology is being used to prepare local monthly estimates of the resident labor force, employment, unemployment and the unemployment rate¹. The new methodology is the result of many years of research by the Bureau of Labor Statistics (BLS) and over the past eighteen months, intensive testing by the Bureau and state labor market information staffs.

The new procedure uses sophisticated statistically based regression analysis. It replaces the previous "building-block" approach which has been used for over a decade and a half. The old methodology was found to have weaknesses, principally because in recent years the number of persons receiving unemployment compensation benefits have represented a declining proportion of all the unemployed. The new method uses variable coefficient regression models. These dynamic time series are able to use monthly estimates from the Current Population Survey,

employment data from the monthly Current Employment Statistics (CES) survey and unemployment insurance claims data in a more accurate and reliable manner. Over ten years of data from each of these sources have been collected to build the models. The models for each state were developed using common rules and recognized statistical criteria and tests. While the models are based on past relationships, they have a built-in self-tuning mechanism that allows them to reflect structural changes in the local economy as the changes actually occur.

Two separate estimating equations are used, one for employment and one for the unemployment rate. The employment model uses Current Employment Statistics (CES) estimates of wage and salary jobs and data from the Current Population Survey (CPS) on employed persons not included in the CES estimates. The latter includes the self-employed, unpaid family workers, and uncovered private household workers. The unemployment rate model uses data on UI claimants to represent most of the experienced unemployed. An employment-to-population ratio is used to reflect both the business cycle and the experienced unemployed not covered by UI data. A variable is used to represent unemployed new labor force entrants and reentrants.

An important feature of both models is that they automatically adjust to structural change. The models include a mechanism which revises an equation's coefficients when new CPS data becomes available each month. Although the differences between the annual average of the model estimates and the Current Population Survey are very small, the model estimates will be benchmarked once each year to the CPS annual average.

Example Of The Impact On The District's Monthly Rate

One of the principal objectives of the "old" methodology was to adjust estimates for very large, but random swings in the unemployment rate produced by using monthly estimates from

¹ The new methodology will be implemented in 39 states and the District. In these states, the Current Population Survey sample is too small for use in directly estimating monthly labor force statistics.

Continued on page 6

Continued from page 5

the Current Population Survey (CPS). This adjustment was accomplished by using a six month moving average of the CPS. The adjustment, however, tended to "smooth-out" the rate. As a result, changes in the unemployment rate from month to month were compressed. The new model does not employ the six month moving CPS average. **Thus, the "new" methodology will produce steeper monthly changes, but changes that better reflect actual**

market conditions. The accompanying Table shows the differences over the past four years in monthly District unemployment rates produced by the new models and the old methodology.

More technical information about the new method may be obtained from the Office of Employment and Unemployment Statistics, BLS, Room 2083, 441 G Street NW., Washington, D.C., 20212.

District of Columbia Civilian Unemployment Rates
(Handbook Method and Variable Coefficient Regression Method)

	1985		1986		1987		1988	
	1/	2/	1/	2/	1/	2/	1/	2/
January	8.7	8.2	8.3	7.2	7.3	8.1	6.1	6.0
February	8.7	8.8	8.2	7.0	7.4	7.4	5.8	5.8
March	8.8	8.7	8.2	7.6	7.0	6.3	5.3	5.2
April	8.4	9.2	7.8	7.2	6.6	5.6	5.1	5.2
May	8.3	8.7	7.6	8.2	6.2	5.6	4.9	4.8
June	8.2	8.4	7.7	8.0	6.3	5.9	5.2	4.5
July	8.4	7.6	7.8	7.9	5.9	5.8	5.0	4.2
August	8.4	8.1	7.7	8.1	5.9	6.1	5.0	5.0
September	8.2	8.6	7.6	7.9	5.8	7.1	4.9	5.5
October	8.0	8.6	7.3	7.5	5.8	6.0	4.8	5.3
November	7.9	8.1	7.1	8.1	5.8	6.5	4.5	4.4
December	8.2	7.3	7.0	8.0	5.9	5.7	4.6	4.6

SOURCE: Prepared by the Department of Employment Services, Labor Market Information Research Staff, and the U.S. Bureau of Labor Statistics.

1/ Handbook method 2/ Regression method

Job Growth

The District

The number of jobs in the District decreased seasonally by 11,300 for a loss of 1.7 percent between December and January. The private sector accounted for 84 percent of the decline with seasonally induced losses in Services (5,100 jobs) and Trade (4,000 jobs).

In the public sector, seasonal declines in both Federal Government (900 jobs) and State and Local Government (900 jobs) resulted in a loss of 0.7 percent.

Over the year (January 1988 to January 1989),

the number of District jobs increased 2.5 percent for a gain of 16,200 jobs. **The private sector grew at a rate of 3.5 percent, generating 13,400 jobs and accounting for 83 percent of total growth.** The leading job producer Services, contributed 11,600 jobs and accounted for 72 percent of all new private sector jobs. The major components of Services growth were Business Services (4,600 jobs), All Other Services (2,600 jobs), Legal Services (2,300 jobs) and Membership Organizations (1,100 jobs). An additional 1,600 private sector jobs were generated by Wholesale and Retail Trade.

The public sector grew at a rate of 1.0 percent with gains in both Federal Government (2,400 jobs) and State and Local Government (400 jobs).

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Wage and Salary Employment by Industry and Place of Work ^{a/}
(in thousands)

INDUSTRY	District of Columbia			Metropolitan Area		
	Jan. b/ 1989	Dec. c/ 1988	Jan. c/ 1988	Jan. b/ 1989	Dec. c/ 1988	Jan. c/ 1988
TOTAL	670.9	682.2	654.7	2,181.4	2,220.4	2,094.6
Total Private Sector	397.5	407.0	384.1	1,605.7	1,637.6	1,531.9
Total Government	273.4	275.2	270.6	575.7	582.8	562.7
Manufacturing	16.2	16.3	16.2	87.1	87.7	86.4
Total Durables	N/A	N/A	N/A	41.6	42.0	41.6
Stone, Clay, Glass, and Concrete Products	N/A	N/A	N/A	3.3	3.4	3.1
Electrical & Electronic Machinery, Equip., & Supp.	N/A	N/A	N/A	19.0	19.2	19.7
All Other Durables	N/A	N/A	N/A	19.3	19.3	18.8
Total Non-Durables	N/A	N/A	N/A	45.5	45.7	44.9
Food & Kindred Products	N/A	N/A	N/A	4.5	4.6	4.9
Printing & Publishing	13.2	13.3	12.7	35.2	35.4	33.5
All Other Non-Durables	N/A	N/A	N/A	5.8	5.8	6.5
All Other Manufacturing	3.1	3.0	3.6	N/A	N/A	N/A
Mining	0.1	0.1	0.1	1.1	1.1	1.0
Construction	12.8	13.1	13.2	138.7	143.5	126.6
Transportation, Communications & Public Utilities	25.2	25.3	24.8	111.3	111.5	100.9
Railroad	N/A	N/A	N/A	5.0	5.0	4.9
Transportation ex. Railroad	N/A	N/A	N/A	53.7	53.8	45.1
All Transportation	9.4	9.6	9.2	N/A	N/A	N/A
Communication & Public Utilities	15.8	15.7	15.6	52.6	52.7	51.0
Trade	64.1	68.1	62.5	431.7	448.1	421.8
Wholesale	9.1	9.0	8.9	76.2	76.7	76.4
Retail	55.0	59.2	53.6	355.5	371.4	345.3
General Merchandise	4.5	4.7	4.7	44.6	47.1	42.3
Food	N/A	N/A	N/A	47.3	48.2	45.2
Automotive	N/A	N/A	N/A	38.6	38.9	38.1
Apparel & Accessories	N/A	N/A	N/A	27.7	30.7	27.7
Eating & Drinking Places	26.7	28.7	25.8	110.0	115.1	107.3
All Other Retail	23.9	25.8	23.1	87.2	91.4	84.7
Finance, Insurance & Real Estate	34.7	34.6	34.6	128.5	128.4	124.2
Banking	6.8	6.8	7.0	24.2	23.9	22.7
All Other	27.9	27.8	27.6	104.3	104.5	101.5
Services	244.3	249.4	232.7	707.3	717.3	671.0
Hotels & Other Lodging Places	14.4	15.8	14.0	34.7	37.0	32.4
Personal Services	3.9	4.0	4.0	23.3	23.6	23.9
Business Services	55.3	56.9	50.7	N/A	N/A	N/A
Computer & Data Process	5.7	5.6	4.9	N/A	N/A	N/A
Health Services	35.5	35.8	34.6	N/A	N/A	N/A

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Wage and Salary Employment by Industry and Place of Work ^{a/} (in thousands)

INDUSTRY	District of Columbia			Metropolitan Area		
	Jan. b/ 1989	Dec. c/ 1988	Jan. c/ 1988	Jan. b/ 1989	Dec. c/ 1988	Jan. c/ 1988
Legal Services	27.4	28.0	25.1	N/A	N/A	N/A
Membership Organizations	32.5	32.7	31.4	N/A	N/A	N/A
All Other Services	75.4	76.2	72.8	649.4	656.8	614.7
Government	273.4	275.2	270.6	575.7	582.8	562.7
Federal Government	217.3	218.2	214.9	359.6	361.0	356.6
State & Local Government	N/A	N/A	N/A	216.1	221.8	206.1
State & Local Gov. Except						
Public Transportation	51.2	52.1	51.0	N/A	N/A	N/A
Public Transportation	4.9	4.9	4.7	N/A	N/A	N/A

a. Detail may not add to totals due to independent rounding. b. Preliminary. c. Revised.

Data includes all full- and part-time employees who worked during or received pay for any part of the pay period which includes the 12th of the month. Proprietors, self-employed, unpaid family workers, and private household workers are excluded.

Source: Prepared by the Department of Employment Services, Labor Market Information and Research Staff in cooperation with the Virginia Employment Commission, the Maryland Department of Economic and Employment Development, and the U.S. Bureau of Labor Statistics.

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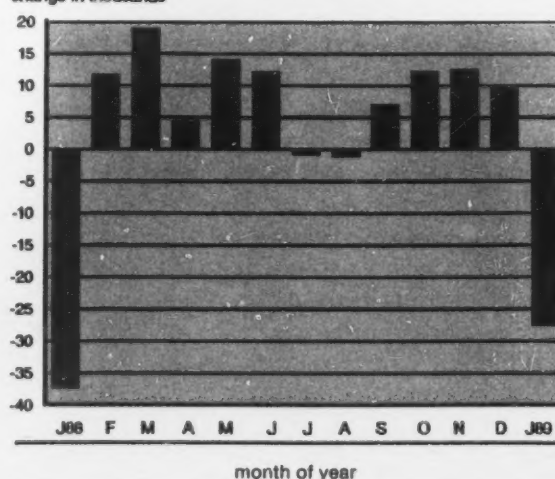
The Suburbs

The number of suburban jobs declined 1.8 percent for a seasonal loss of 27,700 jobs between December and January. The private sector accounted for 81 percent of the loss with primarily seasonal losses in Trade (12,400 jobs), Services (4,900 jobs) and Construction (4,500 jobs). The seasonal job loss in Trade was equally divided between the two suburban areas while the losses in Services and Construction were primarily concentrated in the Maryland suburbs (71 percent).

Over the year (January 1988 to January 1989), suburban jobs grew at a rate of 4.9 percent for a gain of 70,600 jobs. The Virginia suburbs grew at a rate of 6.2 percent accounting for 63 percent of suburban growth while the Maryland suburbs increased at a more modest rate of 3.6 percent.

The private sector accounted for 86 percent of all new suburban jobs with the primary job producers, Services (24,700 jobs) and Construc-

Monthly Job Growth
The Suburbs
January 1988 - January 1989
change in thousands



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tion (12,500 jobs), responsible for 62 percent of private sector growth. Seventy-three percent of the Services growth and 77 percent of the Construction growth occurred in the Virginia suburbs. The Virginia suburbs were also responsible for 62 percent of the growth in Transportation, Communications, and Public Utilities (10,000 jobs) and Finance, Insurance and Real Estate (4,200 jobs). Trade growth of 8,300 jobs was equally divided between the two areas.

In the public sector, substantial growth in State and Local Government (9,600 jobs) and a slight gain in Federal Government (600 jobs) resulted in growth over the year of 3.5 percent.

The Area

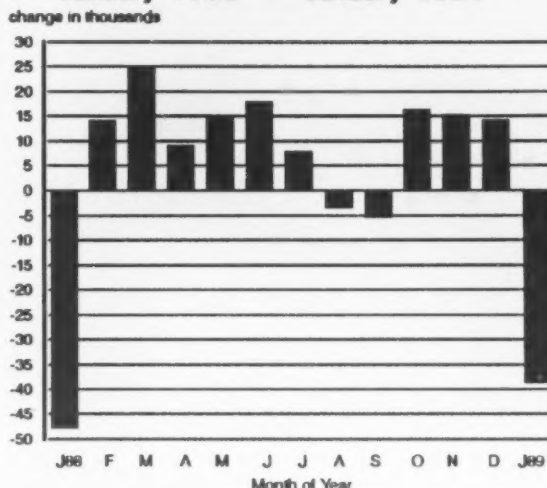
The Washington Metropolitan Area lost 39,000 jobs between December and January for a seasonal decline of 1.8 percent. The private sector was responsible for 82 percent of the decline with seasonal losses in Trade (16,400 jobs), Services (10,000 jobs) and Construction (4,800 jobs).

The public sector declined by 7,100 jobs with seasonally induced losses in both Federal Government (1,400 jobs) and State and Local Government (5,700 jobs).

Over the year (January 1988 to January 1989), the Area grew at a rate of 4.1 percent for a gain of 86,800 jobs. The private sector grew at a rate of 4.8 percent, generating 73,800 jobs and producing 85 percent of all new area jobs. The leading job contributor, Services (36,300 jobs), accounted for close to half (49 percent) of all new private sector jobs. Strong growth also occurred in Construction (12,100 jobs) and Transportation, Communications, and Public Utilities (10,400 jobs) which registered growth rates of 9.6 and 10.3 percents, respectively. Significant private sector growth was also generated by Trade (9,900 jobs) and Finance, Insurance, and Real Estate (4,300 jobs).

The public sector grew at a rate of 2.3 percent with growth of 4.9 percent in State and Local Government (10,000 jobs) and 0.8 percent in Federal Government (3,000 jobs).

**Monthly Job Growth
The Area**
January 1988 - January 1989



Area Job Growth Rates

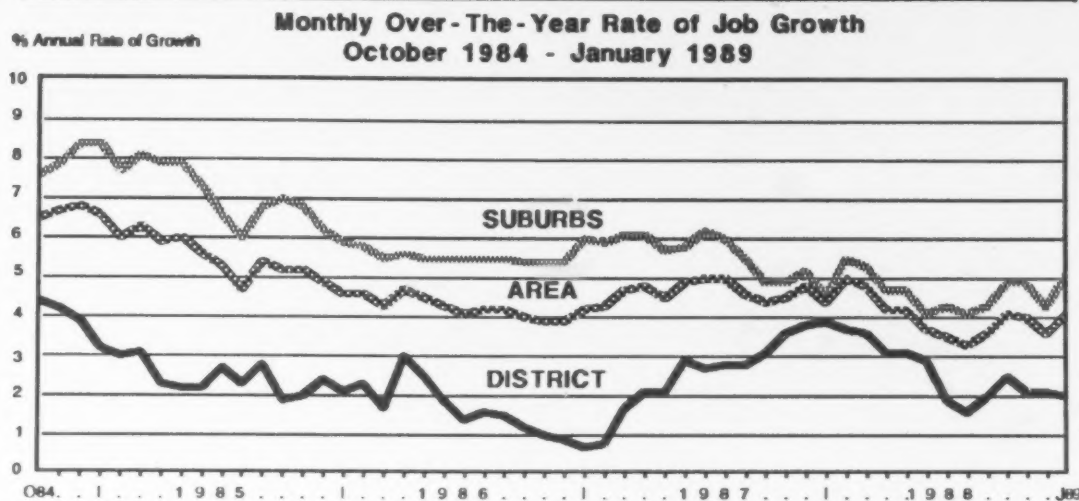
Over the past 51 months, (October 1984 to January 1989), the Washington Area has created new jobs at a rate of 4.7 percent. Measured by monthly over-the-year changes, however, the rate of growth has been steadily declining after peaking at 6.8 percent in December 1984. Between January 1988 and January 1989, the Area's job growth slowed to 4.1 percent.

The Suburban portion of the Area is still the generator of most new jobs, having grown over the past year at a rate of 4.9 percent, but at a much slower pace than its 51-month longterm average of 5.9 percent. Over the past year, the District proper has added new jobs at a rate of 2.5 percent, equal to its 51-month average of 2.5 percent.

In absolute terms, job creation in the Area has declined from 114,300 new jobs produced between January 1984 and January 1985, to 86,800 between January 1988 and January 1989. Over the past year, 70,600 new jobs were added to the Suburban economy and 16,200 in the

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District. The Washington Area is now creating new jobs at a faster pace than the U.S. economy (4.1 percent vs. 3.6 percent for the U.S. economy).

Profile of Job Growth Rates October 1984 to January 1989

The Area

Average 51 months	4.7%
High, December 1984	6.8%
Low, August 1988	3.3%
Current month	4.1%

The Suburbs

Average 51 months	5.9%
High, January 1985	8.4%
Low, June 1988	4.1%
Current month	4.9%

The District

Average 51 months	2.5%
High, October 1984	4.4%
Low, January 1987	0.7%
Current month	2.5%

INDUSTRIAL PROFILE:

Jobs in the District and the Area—1988 Annual Averages

During 1988, the District of Columbia produced an average of 17,500 new jobs bringing total wage and salary jobs in the City to a record level of 673,100. The Washington Area produced 83,900 new jobs raising the total jobs to a record level of 2,164,000.

Jobs in the District

The 17,500 new jobs in the District represents a 2.7 percent rate of growth between 1987 and 1988. **This was an exceptional annual growth rate for the District.** Over a 40-year period between 1945 and 1985, the District registered an annual rate of growth of 0.7 percent a year. The 1988 growth was nearly four times more rapid than the City's longterm trend.

Growth in the private sector was even stronger, averaging 3.2 percent or 71 percent of all the new 1988 District jobs. As has been the

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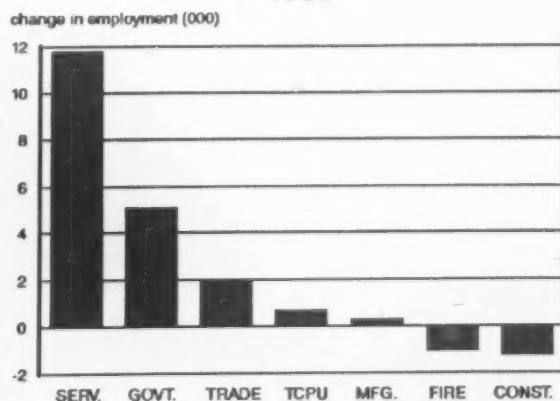
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case for all of the 1980's, the industrial growth leader was the Services Industry. This industry produced 11,800 new 1988 jobs or 67 percent of all the job growth. Within Services, Business Service firms produced the most new jobs (3,600). This was followed by firms classified in the "All Other Services" group (2,700 jobs) and Legal Services (2,100 jobs). The Health Services group added (1,800 jobs), Membership Organizations (1,500) and Hotels (500) to round out the Services Industry growth.

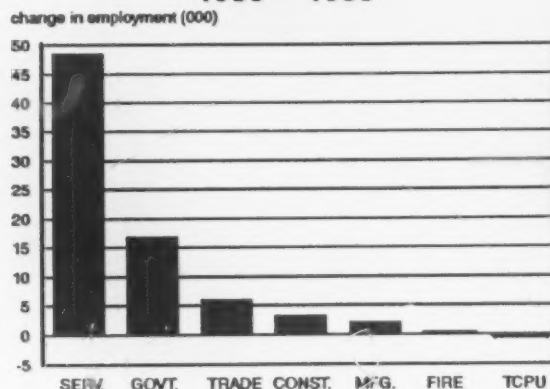
The Wholesale/Retail Trade Industry produced 2,000 new jobs and grew at an annual rate of 3.2 percent. All other private sector components except the Construction and Finance, Insurance and Real Estate (FIRE) Industries produced relatively small but positive growth in 1988. Jobs in the Finance, Insurance and Real Estate Industry declined by 1,100 and Construction by 1,300.

During 1988, the public sector (Government) added 5,100 jobs in the District, a growth rate of 1.9 percent. Sixty-three percent of these new government jobs were at the Federal level. Most of the growth in District Government jobs reflected the transfer of St. Elizabeth's Hospital from Federal to District Government.

Job Growth In The District By Industry 1988



Job Growth In The District By Industry 1983 - 1988



Five-Year Job Growth In The District

Over the past five years (1983-1988), the District added 76,500 new jobs to its employment base. This is an increase of 12.8 percent or 2.6 percent per year. **In a historical perspective, this is the most rapid five-year job growth in the City since the average 2.8 percent annual growth registered during the period between 1960 and 1965.**

Seventy-eight percent of the District's five-year growth was in the private sector which added 59,600 new jobs. The rapidly growing Services industry contributed 8 of every 10 of these new private sector jobs. Within Services, the Business Services industry added 17,900 new jobs, followed by Legal Services with 8,200, Other Services with 8,100, Health Services with 6,200, Hotels with 4,600, and Membership Organizations with 3,700.

Other private sector components also made a significant contribution to the overall growth. The Wholesale/Retail Trade Industry added 6,100 jobs. The Construction Industry lost a small number of jobs (-1,300) between 1987 and 1988. Over the past five years, construction has added 3,300 District jobs. The Transportation, Communications, and Public Utilities (TCPU) Industry lost a small number of jobs (-600) over

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the five-year period. This decline probably reflects the breakup of AT&T.

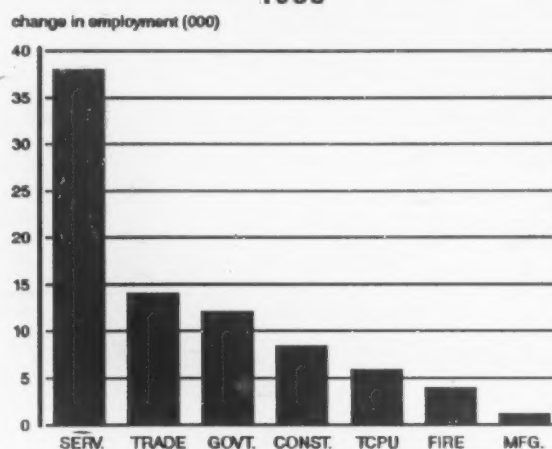
In the public sector, over the five-year period, Government has contributed 16,900 new jobs. An annual growth rate of approximately one percent a year. Fifty-six percent of the Government growth, or 9,400 jobs, has been at the Federal level. Despite the five-year expansion, the Federal Government still had 10,500 fewer civilian jobs in the District in 1988 than in 1980 (228,200 in 1980 vs. 217,700 in 1988). During the past five years, the District Government added 7,800 jobs, including about 3,000-4,000 jobs transferred from St. Elizabeth's.

Over the five years, there has also been some subtle shifts in the industrial distribution of jobs in the District. In 1983, the private sector constituted 57 percent of the District's total job base. By 1988, private sector jobs grew to 59 percent of all jobs. Conversely, Government jobs declined from 43 percent in 1983 to 41 percent in 1988. By 1988, nearly 6 of every 10 jobs in the District were in the private sector. As expected, the Services Industry had proportionately the largest increase growing from 32.6 percent of all jobs in the City in 1983 to 36.1 percent in 1988—a gain of 3.5 percentage points. The Construction Industry also showed a small, 0.3 percent, increase in its proportion of total jobs. Manufacturing's share remained unchanged at 2.4 percent. Other components—Transportation, Communications and Public Utilities (TCPU), Finance, Insurance and Real Estate (FIRE), and Trade registered relatively small losses in total jobs.

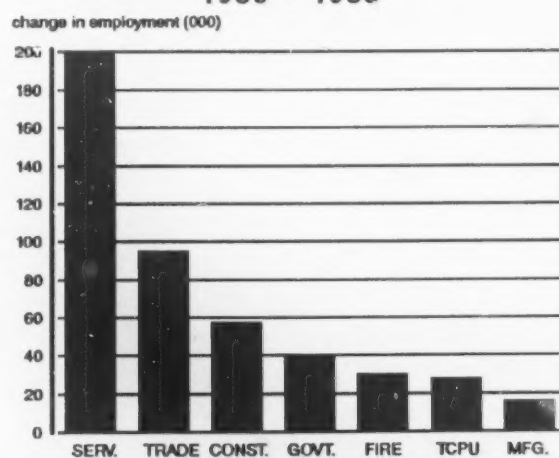
DISTRIBUTION OF JOBS DISTRICT 1988 & 1983 (percent)

	1988	1983
TOTAL	100.0	100.0
Government	41.0	43.4
Services	36.1	32.5
Trade	9.6	9.9
FIRE	5.2	5.8
TCPU	3.7	4.3
Manufacturing	2.4	2.4
Construction	2.0	1.7

Job Growth In The Washington Area By Industry 1988



Job Growth In The Washington Area By Industry 1983 - 1988



Jobs in the Washington Area

The addition of 83,900 new jobs to the Area's economy during 1988 represents an annual growth of 4.0 percent. Eighty-six percent of the job growth occurred in the private sector. Two industries, Services and Wholesale/Retail Trade, accounted for 73 percent of the private sector growth. During 1988, Services added 38,100 new jobs and Wholesale/Retail Trade produced

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